

**BEFORE THE
PUBLIC SERVICE COMMISSION
OF SOUTH CAROLINA**

DOCKET NO. 2007-205-E

Mack A. Smith v. Progress Energy Carolinas, Inc. (PEC)

EMERGENCY HEARING – JUNE 13, 2007

STATEMENT OF DEFENDANT/RESPONDENT

SHOULD THE COMMISSION REQUIRE
PEC TO RECONNECT MR. SMITH'S
ELECTRIC SERVICE WITHOUT
REQUIRING PAYMENT OF DEBT?

HOW DID WE GET HERE?

- PEC cut service off 3/19/07 for arrears of \$806.56
- PEC restored power 3/20 per ORS request, after Mr. Smith promised to pay \$200 toward debt that day
- Mr. Smith did not pay \$200 until 4/9 (3 weeks late)
- On 4/10 ORS negotiated 6-month deferred payment plan (DPP) of \$156/month plus regular bills
- Mr. Smith paid nothing toward DPP or monthly bills
- PEC, with ORS concurrence, pursuant to PSC Rule 103-331, requested Mr. Smith pay \$352 deposit by 4/24/07 to secure his account given his poor payment history. At the time he owed PEC \$1,231.76; he never paid deposit
- Disconnected on 5/15/07 for failure to pay deposit

BASIS FOR MOTION FOR EMERGENCY HEARING IS WITHOUT MERIT

ALLEGED VIOLATION OF PSC RULE 103-345(B):

“When the Commission has notified the electrical utility that a complaint has been received concerning a specific account, the electrical utility shall refrain from discontinuing the service of the account until the Commission’s investigation is completed and the results have been received by the electrical utility.”

- Service was disconnected for non-pay on 5/15/07
- Formal Complaint filed with PSC on 5/18/07
- Formal Complaint served on PEC on 5/23/07
- Service was disconnected 8 days before PSC notified PEC that a complaint had been received

BASIS FOR MOTION FOR EMERGENCY HEARING IS WITHOUT MERIT

ALLEGED VIOLATION OF S.C. CODE ANN. § 58-27-1290

“No electrical utility shall abandon all or any portion of its service to the public, except for ordinary discontinuance of service for nonpayment of undisputed charges in the usual course of business, unless written application is first made to the commission for the issuance of a certificate authorizing the abandonment...”

- Statute deals with Abandonment of Service, i.e. a utility deciding to cease serving a premise or area, and is thus irrelevant to this case
- Even if this statute had some application, the charges for which the account was disconnected were not “disputed” at the time of disconnection—service was disconnected May 15, complaint was filed May 18, and served on PEC on May 23
- To interpret this Statute or the PSC Rule to mean that if service is cut off before a complaint is filed, then it must be restored after the complaint is filed pending outcome of the proceeding would merely encourage anyone whose service is cut off to file a complaint and thus get another month or two of “free” service.

WHERE ARE WE NOW?

- Mr. Smith has made no payments on his account since April 9, 2007
- Mr. Smith presently owes \$848.85, plus a \$352 deposit
- Service should not be restored unless the \$352 deposit is paid and all charges incurred prior to filing of his complaint on May 18, 2007 are paid